



AUSTRALIA – BANGLADESH DEVELOPMENT PARTNERSHIP PLAN 2025–2030

Section 1: Introduction

Australia's partnership with Bangladesh

Australia is an Indian Ocean country and Bangladesh is an important Indian Ocean partner. Australia and Bangladesh have a partnership founded on more than 50 years of diplomatic relations, with Australia among the first to recognise Bangladesh after its independence in 1971. The two countries share an interest in an Indian Ocean region that is peaceful, stable and prosperous; operates according to agreed rules and norms; and is supported by strong and effective regional architecture. Australia and Bangladesh aim to deepen our diplomatic, economic and security cooperation and strengthen our people-to-people links.

Australia's development cooperation with Bangladesh dates from the provision of Colombo Plan scholarships to the then—East Pakistan, predating Bangladesh's independence. Australia provided substantial humanitarian assistance during the Bangladesh War of Independence in 1971. In recent years, bilateral cooperation has focused on education, skills, rural poverty alleviation and social security reform. Regional initiatives have focused on infrastructure development, resource use, energy and regional trade integration. Australia has also been an active partner in agricultural research. There are growing people-to-people links between Australia and Bangladesh - the Bangladeshi community in Australia includes a diaspora of over 73,000 according to data from the Australian Bureau of Statistics. Additionally, over 24,000 Bangladeshi students were enrolled to study in Australia in 2025.¹ Reflecting Bangladesh's consistently strong economic growth, bilateral trade between our two countries grew to more than \$5 billion in 2024.

Australia is working closely with Bangladesh to expand bilateral trade and investment as Bangladesh graduates from Least Developed Country (LDC) status (expected to occur in 2026) and pursues its ambition to move to upper middle-income status over the next decade. Australia's development cooperation is valued by Bangladesh, aligns with Bangladesh's development priorities and has strengthened our bilateral relationship. It has also supported Australia's broader trade and economic interests in the Indo-Pacific region. Our substantial humanitarian program across Bangladesh and Myanmar (Australia's largest) has helped reduce Bangladesh's burden in hosting more than 1.1 million displaced Rohingya and the impacts on Bangladesh of the ongoing crisis in Myanmar.

The Australian Government is deepening its engagement with Bangladesh. Australia has a longstanding defence relationship with Bangladesh and, in 2022, Defence expanded its footprint by establishing a resident Defence Adviser position. In April 2025, the Australian Government announced the establishment of a visa office at the Australian High Commission in Dhaka, and operations commenced in June 2025. The Australian Trade and Investment Commission (Austrade) is increasing its engagement in Bangladesh through the deployment of a short-term Trade Commissioner to Dhaka, augmenting a strong local Austrade team. For the first time, the Australian Government Department of Agriculture, Fisheries and Forestry has a locally engaged staff member working from the Australian High Commission in Dhaka. Our longstanding partnership continues through the Australian Centre for International Agricultural Research (ACIAR).

Australia's development partnership with Bangladesh is focused on meeting Bangladesh's priority needs while also supporting Australia's national interests. The Australia–Bangladesh joint statement, issued by Australia's and Bangladesh's foreign ministers in May 2024, and bilateral Senior Officials Talks and Trade and Investment Facilitation Talks held in November 2024, highlighted a shift in the focus of development cooperation between the two countries towards support for our economic ties and growth in Bangladesh's economy.

In June and July 2024, there were mass student-led protests in Bangladesh against civil service job quotas. The protests rapidly evolved into a large-scale anti-government movement that resulted in the fall of Bangladesh's Awami League government. An Interim Government led by Nobel-laureate Professor Muhammad Yunus was formed in August 2024. The Interim Government plans ambitious reforms to Bangladesh society, including in the

areas of security, democratic governance, the judicial system, taxation and banking. The Interim Government has announced planned elections in February 2026. Responding to the Rohingya humanitarian crisis and building international support for a solution to the crisis in Myanmar that will allow for the return of Rohingya to Myanmar in a voluntary, dignified, safe and sustainable way is a high priority for the Interim Government. Climate change adaptation and resilience, strengthened social protection systems and inclusive growth are also important priorities.

Purpose of the Development Partnership Plan

Australia's <u>International Development Policy</u> presents a long-term vision for how Australia's development program will meet the critical needs of our partners, support sustainable development and help lift people out of poverty. Australia seeks relationships based on respect and partnerships that create economic and social value for us all. To achieve this, Australia supports our partners to:

- build effective, accountable states that drive their own development
- enhance state and community resilience to external pressures and shocks
- connect with Australia and regional architecture
- generate collective action on global challenges that impact us and our region.

The Australia – Bangladesh Development Partnership Plan 2025–2030 (DPP) translates into action the development priorities Australia shares with Bangladesh. The DPP sets out agreed objectives, how we will work together to deliver shared outcomes, and how progress will be monitored. It also identifies where Australia can add value to Bangladesh's national development priorities and how Australia will work with other development actors, ensuring the Australian Government's contribution to Bangladesh's development ambitions is well coordinated.

The DPP reflects the full spectrum of Australia's development support – Australian Government bilateral Official Development Assistance (ODA) as well as regional ODA and non-ODA development activities. A commitment to ongoing dialogue and engagement with government and non-government actors in support of a genuine and respectful partnership underpins this DPP. A mid-cycle review of the DPP will be undertaken.

Our broad development cooperation reflects our enduring commitment to working in Bangladesh and the broader South Asia region. The DPP sets a high level of ambition for our cooperation. Key changes to Australia's approach include:

- increasing support for economic growth through policy engagement, skills development and connectivity infrastructure
- designing a new skills and vocational training program
- supporting the rollout of Bangladesh's National Social Security Strategy
- increasing engagement on climate change action, including on climate finance
- building Bangladesh's maritime capabilities.

Preparing the Development Partnership Plan

The DPP complements Australia's bilateral partnership with Bangladesh. It draws on experience from longstanding investments to focus on areas in which Australia can best add value through partnerships with Bangladesh, including by supporting Bangladesh to address transboundary challenges.

The DPP is informed by extensive consultations that took place between October 2023 and December 2024 in Bangladesh and Australia, including with government agencies, international and non-government organisations (NGOs), local civil society organisations, multilateral development banks, United Nations agencies,

other development partners, media and the private sector. This complemented regular, ongoing discussions with Bangladesh officials and development partners through existing programs and forums. Diverse perspectives were considered to ensure Australia focuses on areas where we can achieve the most impact.

These consultations and ongoing engagement will underpin the DPP's vision for increased cohesion across bilateral and regional development activities.

Section 2: Bangladesh development context and Australian partnership

Sustained economic growth transformed Bangladesh from one of the poorest countries in the world, when it gained independence in 1971, to a lower middle-income country by 2015.² World Bank data indicates Bangladesh's gross domestic product (GDP) has grown at an annual rate of more than 5 per cent for most of the past 20 years, driven by ready-made garment exports, remittances and a generally stable macro-economic environment. The proportion of the population living on less than USD3.65 a day fell from 50 per cent in 2010 to 30 per cent in 2022.³ Government policies – from improving rural transport and telecommunications infrastructure to agricultural liberalisation – have improved economic and social indicators in the past decade. Infant and child mortality rates have fallen while access to water and sanitation, primary school enrolment and literacy have increased, as reported by the United Nations Development Programme (UNDP).⁴ Bangladesh is classified as having medium human development by the United Nations Human Development Index and has a ranking consistent with its GDP per person. However, multilateral financial institutions, among others, have warned that longstanding structural weaknesses in Bangladesh's economy and public institutions, low tax revenue and inadequate spending on health, education and social protection – combined with broader global economic challenges and climate vulnerability – must be addressed to ensure sustainable, long-term growth.⁵

Cuts by international donors are directly impacting how the United Nations (UN) operates in Bangladesh. Shortfalls in funding threaten to undermine vital social welfare, climate change, health, gender and governance initiatives as well as the Rohingya crisis and humanitarian response. Amid a broader trend of declining development and humanitarian funding, the United States has cut development funding in Bangladesh substantially, adversely affecting millions of beneficiaries of development assistance programs.

Bangladesh's expected graduation from LDC status will likely have significant trade impacts. These include the loss of preferential market access and the ability to benefit from special and differential treatment provisions in various World Trade Organization agreements. The United States is Bangladesh's largest single-country export market, with 96 per cent of Bangladesh's exports to the United States in the ready-made garments sector. On 7 August 2025, an additional 20 per cent tariff on all of Bangladesh's exports to the United States came into effect. This will likely have a significant impact on Bangladesh's ready-made garments sector.

Improving Bangladesh's economic situation – including addressing rising cost-of-living pressures, the fragile state of the banking sector and the Bangladesh Bank's low foreign exchange reserves – is critically important for sustained growth and development. Bangladesh is focused on addressing financial sector vulnerabilities arising from improper governance practices. Over the longer term, Bangladesh will need to improve its domestic resource mobilisation and rate of foreign direct investment (both of which are among the lowest in the South Asia region). Bangladesh's foreign direct investment inflows in 2024 amounted to 0.3 per cent of its GDP, ranking it fourth in South Asia. In addition, Bangladesh has one of the lowest ratios of government revenue to GDP in the region, at 7.4 per cent (as of December 2024), a decrease from 7.8 per cent in December 2023.

Australia's economic engagement with Bangladesh will become increasingly important in our bilateral relationship. Accordingly, we are reshaping our development assistance program to support Bangladesh's graduation from LDC status and broader reform efforts, strengthen our trade ties and enhance maritime security in the north-east Indian Ocean. To support these efforts, the Bangladesh Economic Engagement Program (BEEP) focuses on domestic revenue mobilisation to help close Bangladesh's fiscal deficit and build its ongoing capacity to repay its loans.

Bangladesh's cities are growing. The proportion of its population living in urban areas has doubled to 40 per cent since 1990. This puts pressure on infrastructure and services and has created more persistent forms of poverty. The COVID-19 pandemic highlighted some of Bangladesh's vulnerabilities. Bangladesh's *Eighth Five Year Plan*

(July 2020 – June 2025) acknowledges that the pandemic put the health system under tremendous pressure. Schools were closed for 18 months, and economic and social pressures from loss of family income and enforced isolation led to higher rates of violence against women.

In Bangladesh, the pursuit of the Sustainable Development Goals (SDGs) is taken seriously. The SDGs inform policy and are reflected in Bangladesh's long-term development plans. Moderate progress is being made in reducing poverty and hunger and in improving health, water, sanitation and energy provision. A significant achievement is social security reform, which aims to reduce inefficiencies and poor targeting, and provide more universal coverage of benefits. However, progress on gender equality, urban development and working conditions is stagnating.

The Rohingya humanitarian crisis, sparked by violence in neighbouring Myanmar, is one of the most intractable humanitarian and security challenges in the world. Bangladesh hosts more than 1.1 million displaced Rohingya who are almost solely dependent on humanitarian assistance. Most are hosted in the Cox's Bazar District, itself an area with significant development challenges. Despite sustained efforts from Bangladesh and the international community, Rohingya continue to live in increasingly challenging conditions, including extreme poverty and, often, a lack of access to basic amenities, health, education and livelihood opportunities. Reduced donor and UN funding is directly impacting the services and support provided to Rohingya. Without additional funding, food rations (USD12 per month as of October 2025) remain under threat. Refugee health services, education, nutrition, access to water, sanitation and hygiene, and LPG support are being scaled down or face uncertainty.

Bangladesh's priorities

Bangladesh's governance context has shifted following the 2024 collapse of the Awami League government. Although Bangladesh's development priorities remain largely unchanged, the Interim Government is seeking to implement key economic and governance reforms aimed at stabilising the economy, improving transparency and restoring investor confidence. These include increasing tax revenue, creating jobs in a diversified export sector, opening up emigration opportunities and supporting the skills that underpin successful migration, as well as improving public investment management and mounting an effective climate change response. Other important social reform priorities are to strengthen health systems and improve the quality of education. Reducing inequality – including pursuing social security reform – remains an important objective, and Bangladesh has ambitious programs to address exclusion and discrimination.

Economic reforms

Bangladesh has implemented significant reforms aimed at improving the economy's macro-economic fundamentals in key areas. Foreign exchange reserves have stabilised following continuous falls since mid-2021. The Bangladesh Bank has supported greater exchange rate flexibility to reflect market conditions. Robust remittance inflows and export earnings, coupled with budget support disbursements from development partners, have also contributed to the stabilisation in foreign exchange reserves. Although inflation remains elevated, the World Bank has projected that it will subside gradually in the medium term on the back of tight monetary policy, fiscal consolidation and the easing of import restrictions on key food commodities.

Bangladesh's economic governance reforms are gaining momentum, particularly in the banking sector. To address deep-rooted financial sector vulnerabilities, the Bangladesh Bank is implementing regulatory changes and corrective action frameworks. With support from Australia's funding to the World Bank under the BEEP, Bangladesh promulgated the Bank Resolution Ordinance 2025. This ordinance allows the Bangladesh Bank to intervene and support distressed banks, including through taking temporary control of banks and facilitating mergers and liquidations. Additionally, Bangladesh has announced plans to introduce a Bankruptcy Act to facilitate early restructuring of distressed but viable companies, amend the Money Loan Court Act to streamline loan

recovery and establish a Distressed Asset Management Act to enable private asset management companies to trade non-performing loans.

In support of export diversification, the Interim Government has revised the National Export Policy (2024–27) and is planning to merge five regional investment promotion agencies into a central entity to streamline efforts to attract foreign direct investment. Labour reforms are also a priority, with an ordinance expected by late 2025¹⁰ to amend the Bangladesh Labour Act and strengthen worker rights related to safety, health and protection from harassment.

Climate change

Bangladesh is one of the most vulnerable countries to the impacts of climate change. Comprising mainly of low-lying flat land and hosting the world's largest river delta, Bangladesh is particularly vulnerable to floods, including those associated with transboundary river basin management. Flood risk is projected to worsen because of climate change, sea level rise, extreme rainfall events and intense cyclone activity. The agricultural sector – including fisheries and aquaculture – is particularly vulnerable to climate impacts. In turn, the impacts of climate change are expected to exacerbate existing structural poverty and inequalities and increase urban migration. Tropical cyclones are estimated to cost Bangladesh USD1 billion in losses annually and, by 2050, one-third of agricultural GDP may be lost due to climate variability and extreme weather events. Over the next 30 years, 13.3 million people may become internally displaced by climate impacts on agriculture, water scarcity and rising sea levels, with women experiencing greater impacts than men.¹¹

Bangladesh has introduced policy instruments to strengthen climate change mitigation, adaptation and resilience. Mitigation initiatives have focused on reforestation and the provision of climate-friendly technology (including solar power and improved cooking stoves). Adaptation initiatives have involved strengthening disaster-resilient and climate-adaptive infrastructure (including cyclone shelters, embankments and deepwater tube wells). Resilience initiatives have included livelihood support and social protection, and are aimed at supporting vulnerable communities to withstand and recover from climate and disaster shocks.

Although Bangladesh has introduced policy instruments to address climate change and disaster risk and mainstream these considerations into the development planning process, its readiness to implement these priorities needs to be strengthened. More needs to be done to secure climate finance, build institutional capacity, strengthen integrated planning and drive multisectoral coordination. According to the World Bank's Country Climate and Development report, Bangladesh will need at least USD12.5 billion in funding in the medium term for climate action. The report identified priority areas for action, including strengthening locally led adaptation, decarbonising the economy and improving legislative and institutional capacity to efficiently implement existing policies and programs. Given the urgency, scale and complexity of the climate crisis, partnerships with civil society NGOs will be essential to deliver and monitor climate change programs in Bangladesh.

Australia and Bangladesh are signatories to the *Sendai Framework for Disaster Risk Reduction 2015–2030* (SFDRR).¹³ Bangladesh recognises the seven key targets that must be met to achieve the overall SFDRR goals by 2030. The SFDRR guides Australia's approach to disaster risk reduction domestically and internationally through its overseas development assistance program.

The 2023 mid-term review of the SFDRR affirmed the need to develop a gender action plan to advance gender-responsive disaster risk reduction and support women's empowerment and leadership. Australia can add value in this area, particularly in bringing women to the forefront of disaster risk management and resilience.

Australia welcomes Bangladesh's powerful voice in calling for more decisive global action to finance climate mitigation, adaptation and equitable transitions. Internationally, Australia advocates for global climate funds to deliver more decisive action and results, prioritising climate vulnerable countries such as Bangladesh.

Gender equality, disability and social inclusion (GEDSI)

In 2023, Bangladesh scored 0.722 on the World Economic Forum's Global Gender Gap Index.¹⁴ This index measures parity between men and women in economic participation and opportunity, educational attainment, health and survival, and political empowerment (imparity = 0, parity = 1). For some years, Bangladesh has performed significantly better on gender parity than other South Asian countries, with important progress having been made on women's rights and welfare. However, there has been less progress on economic and political empowerment and on gender-based violence. Despite decades of progress, much remains to be done to address the challenges women face daily, whether seeking income, negotiating relationships or staying safe. Bangladesh has one of the highest child marriage rates in Asia, with around 51 per cent of young women married before their 18th birthday.¹⁵

Lower vulnerability and higher levels of individual agency are correlated with higher income and education. For many poorer women in conservative rural areas, little has changed over the years. The hundreds of thousands of women in Rohingya refugee camps face the same obstacles, compounded by trauma and insecurity.

People with disability often face negative attitudes and stigma based on poor understanding of disability and multiple forms of exclusion. Although Bangladesh has taken steps to address this, sustained efforts are needed to ensure equality in opportunities. Disability rights have been firmly on society's radar for at least the past 10 years. However, progress on inclusion is impeded by a lack of data that is only gradually being addressed. In principle, Bangladesh has identified – and is committed to tackling – widespread gaps in service provision for people with disability. Addressing this gap ranges from increasing opportunities, from access to early-year schooling, to employment, to giving people with disability a greater voice in policy formulation. Promoting the rights of people with disability is a priority for Bangladesh, and legislation and policy are in place, but there is a long way to go to achieving equality in opportunities.

Section 3: Joint objectives of the Australia – Bangladesh development partnership

The overarching goal of the Australia – Bangladesh development partnership is a prosperous, resilient and stable Bangladesh. Australia's three development partnership objectives, and how we will work together to progress each objective, are set out below and summarised in Table 1. These objectives are based on Australia's experience delivering a modest but effective development program in Bangladesh and our comparative advantages as a long-term development partner supporting economic, trade, skills and infrastructure cooperation. A mid-cycle review of this DPP will be undertaken in 2027 to review progress and make adjustments as required.

Table 1: Australia – Bangladesh development partnership

Goal: A prosperous, resilient and stable Bangladesh

Objective	Objective 1 Strengthening the skills and policy and regulatory environment for growth	Objective 2 Improved economic and social outcomes, and climate change mitigation, adaptation and resilience	Objective 3 Effective humanitarian responses for peace, security and stability
Outcomes	Outcome 1.1 Policy reform (governance): Strengthened policies related to governance Outcome 1.2 Economic stability: Improved macro-economic management, public financial management and broader economic reform Outcome 1.3 Strengthened leadership: Positive people-to-people relationships, networks and linkages within Bangladesh and with Australia established	Outcome 2.1 Economic empowerment and private sector growth: Shared and equitable benefits of economic growth Outcome 2.2 Social protection: A better-targeted and shock-responsive social security protection scheme Outcome 2.3 Climate change mitigation, adaptation and resilience: Institutions, communities and individuals are better positioned to respond and adapt to climate and disaster risks and economic and social shocks Outcome 2.4 Gender equality, disability and social inclusion: Enhanced participation of women and people with disability in economic activities	Outcome 3.1 Emergency assistance: Humanitarian assistance delivered to support national and regional emergency efforts Outcome 3.2 Maritime domain awareness: Enhanced border security capacity and operations Outcome 3.3 Strengthened regional architecture: Supporting regional economic growth through increased infrastructure investments and private sector cooperation
Focus areas	 Objective 1 focus areas Good governance Economic and financial policy reform Trade facilitation Skills development through Australia Awards 	 Objective 2 focus areas Addressing extreme poverty (ultra-poor graduation model) Climate change adaptation Social protection Institutional development Gender equality, disability and social inclusion 	 Objective 3 focus areas Humanitarian support Maritime domain awareness Regional connectivity

Ways of working

We will work together to progress the objectives set out in Table 1 through:

- long-term, consistent, locally led partnerships
- engagement with women's advocacy groups and organisations of people with disability
- donor coordination
- flexibility and pragmatism
- enhanced engagement and integration with Bangladesh government policy and institutions
- institutional links between the governments of Bangladesh and Australia.

Objective 1: Strengthening the skills and policy and regulatory environment for growth

The next stage of Bangladesh's development requires Bangladesh to facilitate diversification of manufacturing and the export base and prepare young people to enter the job market of tomorrow. Australia's partners in the skills development sector include innovative and inclusive training providers with a strong track record of putting people into employment. Our partnerships with the local organisations BRAC (formerly Bangladesh Rural Advancement Committee) and UCEP (the Underprivileged Children's Education Program) will play a key role in achieving Objective 1, especially in skills training, employment generation and policy influence on national systems.

Australia will look for opportunities to support the international financial institutions advising and assisting Bangladesh on reforms needed to help it navigate the transitions of the next few years and avoid a middle-income trap. We will implement initiatives aimed at strengthening the financial sector, increasing private sector investment in the energy sector and supporting the National Board of Revenue to improve tax revenue collection.

During the period covered by this DPP, opportunities will arise for a closer economic relationship between Australia and Bangladesh, requiring government-to-government support (such as technical assistance on standards and biosecurity) and business-to-business support (such as market analysis, trade missions and business conferences). Australia will support these activities with earmarked resourcing for the Australian Government Department of Agriculture, Fisheries and Forestry, and Austrade.

We will use the Australia Awards program to provide professional training to respond flexibly to Bangladesh's increasing human capacity development needs.

Australia and Bangladesh will jointly design a new skills and vocational training program, drawing on the experience and expertise of the Australian Government Department of Education. This may include private sector approaches supported by Austrade.

A commitment to ensure that the benefits of and opportunities from growth are extended to groups that might otherwise be overlooked, particularly women and people with disability, underlies our approach. We will continue our work strengthening Bangladesh's social protection systems through our Social Security Policy Support Programme in partnership with UNDP.

We will continue to work with UNDP on the Institutional Strengthening for Promoting Accountability and Transparency project and aim to build the institutional capabilities of the NGO Affairs Bureau, a Bangladeshi government agency that regulates NGOs that receive foreign donations. NGOs serve as an important channel for the delivery of Australian development assistance in Bangladesh, and this investment aims to bring about improved governance in this area.

Bangladesh has ample capacity to develop local solutions to strengthen the skills and policy and regulatory environment for growth. We will aim to ensure that locally generated ideas are disseminated, and internal relationships fostered so that the best ideas emerge into policy.

Objective 2: Improved economic and social outcomes, and climate change mitigation, adaptation and resilience

Australia will work with multiple partners to support Bangladesh to provide for all its citizens' needs and to build a more inclusive, stable and resilient society in which social and economic potential is realised.

The current phase of our strategic partnership with BRAC and Canada, particularly the BRAC Ultra-Poor Graduation Initiative, serves as a substantial commitment to Bangladesh achieving SDG1 (No poverty) and allows us to work with communities vulnerable to climate change to plan resilience in housing, agriculture and water supplies.

Through our partnership with UNDP, we will help Bangladesh develop a better-targeted and shock-responsive social security protection scheme that will be designed to build the resilience of climate and disaster vulnerable communities. We are funding a further phase of support for the rollout of the next *National Social Security Strategy (NSSS) of Bangladesh*, which will involve consolidating social security management, implementing new universal entitlements and gathering an evidence base to inform the design of the new social security protection scheme.

We plan to continue implementation of ACIAR's strategy for Bangladesh.¹⁷ The strategy prioritises crop improvements, farming systems development, water and soil management, and market development, all of which have strong climate resilience aspects and significantly involve communities in planning and implementing research activities.

Drawing on the experience of Australian NGOs, our partnerships will help ensure that successful community-based approaches to environmental management and livelihoods, especially those that are gender transformative, shared and scaled up when possible.

Our investments and partnerships will continue to establish platforms at the community level for action on gender equality, discrimination and elimination of gender-based violence, and for advocacy at the national level. We will maintain close working relationships with women's advocacy groups and organisations of people with disability. We will advocate for equitable social security reform, including a disability pension with increased coverage and a better information base as part of our broader support for social security reform.

Australia's strategic partnership with BRAC has helped to grow the ultra-poor graduation model, legal services for women and the mass mobilisation of women through village groups. Australia has developed relationships in skills development through partnerships with organisations including UCEP. This has been essential in ensuring that women and people with disability are positioned to take advantage of the jobs of the future, and all the benefits they bring in agency and status within and outside the family.

To promote decent employment, we will work with partners providing skills development to ensure that programs are tailored for women and people with disability, and we will gather evidence of the effects of employment on these groups' welfare and their status within households and communities.

Through the BEEP, we will work with the World Bank and the International Finance Corporation (IFC) to increase adoption of digital payments (an important step for promoting financial inclusion and access to credit for marginalised groups) and support the strengthening of Bangladesh's climate finance architecture. Australia can offer a unique value-add by supporting Bangladesh to develop the architecture and policies to maximise its access to climate finance and the impact and effectiveness of its expenditures. At the policy and institutional level, this includes initiatives aimed at improving interagency coordination, reporting, data aggregation and analysis, and identification of climate finance needs and gaps, as well as supporting the development of a results measurement

system. At the grassroots level, Australia's development and humanitarian programs will continue to work with vulnerable communities on climate change mitigation, adaptation and resilience. This includes program activities focused on climate resilient agriculture and livelihoods, reforestation, promotion of renewable energy and awareness raising on disaster risk reduction. As Australia embarks on its own energy transition away from reliance on fossil fuels, it is well placed to support Bangladesh.

As Bangladesh makes more progress towards upper middle-income status, Australia will re-evaluate the areas in which it can add value. This may lead to a change in our investments and programs; however, we foresee climate change being an ongoing challenge for Bangladesh and will integrate this in our planning for future funding.

Objective 3: Effective humanitarian responses for peace, security and stability

Objective 3 encompasses Australia's humanitarian assistance for Rohingya and host communities, maritime security and regional connectivity. Since 2017, Australia has played an important role in the humanitarian response to the Rohingya crisis and in supporting Bangladesh to respond to regional shocks originating from Myanmar. Our contribution to the crisis in Myanmar and Bangladesh – which has seen more than \$1.26 billion committed since 2017 – is Australia's largest humanitarian response. Of this, more than \$550 million supports the crisis response in Bangladesh, including in host communities.

Australia acknowledges the extensive support the government and people of Bangladesh have provided in generously hosting more than 1.1 million Rohingya. Our humanitarian assistance includes emergency food, water and shelter and delivers essential protection, education and health services for women, girls and people with disability. This support involves grants to United Nations organisations and international and Bangladeshi NGOs, including the UN Refugee Agency, the International Organization for Migration, the United Nations Population Fund, the United Nations Children's Fund, the World Food Programme, UN Women, the Australian Humanitarian Partnership and BRAC. Retaining a combination of partners with multisectoral capabilities in both Rohingya and host communities allows Australia to support a rational, efficient response while continuing to lay the groundwork for improved conditions, including initiatives to build the self-reliance of displaced Rohingya.

Australia's humanitarian partners and programming are guided by the needs identified in the UN- and Bangladeshagreed 2025–26 Joint Response Plan: Rohingya Humanitarian Crisis, 18 which is the key fundraising and advocacy plan for the crisis. Australia will also seek opportunities beyond traditional humanitarian investment in Rohingya communities, including investments in peacebuilding, leadership and governance, and cultural maintenance.

Australia's partnership with Humanity & Inclusion is helping strengthen the quality of disability data across the Rohingya response. This is in turn helping humanitarian agencies design and implement inclusive and targeted humanitarian services.

Australia and Bangladesh remain committed to combating transnational crime, including people smuggling and trafficking in persons, and promoting peace, stability and prosperity in our region. Our humanitarian assistance in the Rohingya camps also focuses on enhancing security and preventing irregular migration. To better understand the security situation and the factors driving irregular migration and people smuggling, we are working with UNDP's Cox's Bazar Analysis and Research Unit.

Australia will continue to support Bangladesh in building its maritime domain awareness capabilities. This includes providing technical advice, professional short courses and training to enhance Bangladesh's maritime domain awareness, maritime safety and maritime disaster response. Bangladesh is a critical partner for the Australian Government in countering people smuggling. The Australian Border Force will work with key border agency stakeholders, including the Bangladesh Coast Guard and the Bangladesh Police Special Branch, to strengthen their capacity to identify, mitigate and respond to maritime threats and irregular migration. The Australian Federal Police will also work with the Bangladesh Police, providing capacity-building training on law enforcement and countering

people smuggling. In addition, the Australian Defence Force will continue its training and education programs with the Bangladesh military, including pre-deployment preparations for UN peacekeeping operations.

We will support regional connectivity, another component of this objective, under the South Asia Regional Infrastructure Connectivity (SARIC) program, implemented by the World Bank and the IFC. SARIC builds on Australia's longstanding investment in South Asian infrastructure and trade facilitation to enable better-quality and socially inclusive connectivity infrastructure in the region. It has a focus on the energy and transport sector. SARIC countries include Bangladesh, Bhutan, India, Maldives, Nepal and Sri Lanka. In Bangladesh, the SARIC program will support the development of national logistics and supply chains. Additionally, it will help build the passenger and cargo handling capabilities of the country's largest aviation hub, the Hazrat Shahjalal International Airport in Dhaka.

Section 4: Delivering our partnership

Locally led development

Given the high level of human resource capacity and the progressive development agenda in Bangladesh, Australia's development interventions will be led locally. Investments will be implemented through local partners by engaging local communities on a long-term basis. Bangladesh has a strong civil society, and Australia has mature partnerships with local civil society organisations, including BRAC. Partnerships with these larger national organisations help to channel Australian assistance through smaller local organisations that have direct links to the communities they serve. Development assistance is delivered at lower costs using local networks and resources. This approach also works with our UN partners, including the World Food Programme, which uses local procurement and supply chains to rapidly deliver lifesaving support to vulnerable communities across Bangladesh, including in the Rohingya response.

Key elements in the integration of local leadership in Australia's development assistance will include:

- support for the institutional strengthening of the Bangladesh NGO Affairs Bureau
- flexible funding for BRAC, the largest NGO in the world and an entirely Bangladeshi-led organisation
- our skills training—focused partnership with UCEP, an entirely Bangladeshi-led organisation
- our organisational capacity building of local humanitarian actors through a specialised localisation pooled fund mechanism in collaboration with BRAC and Global Affairs Canada.

Localisation is an important priority for Australia. We understand that, in the longer term, local resources and expertise are essential for continued sustainable development. In addition to offering good value for money for programming and results, organisations such as BRAC that have local leadership are also better placed to engage with Bangladesh on policy issues. This is an important aspect of our work on policy engagement and influence.

Responding to government priorities

Australia will complement its development program by further deepening its engagement with Bangladesh, including by:

- ensuring our investments are informed by government priorities
- involving government stakeholders in strategic planning (such as development of the DPP) and program design (such as our new skills and vocational training program)
- leveraging the close relationships between delivery partners (such as BRAC) and the government so that NGO innovation can be disseminated throughout government systems and delivered at scale
- working directly with the government on national-level policy development and implementation (such as our work with UNDP and the government on social security)
- implementing a new skills development program to address youth employment.

Consultation

Bangladesh and its development partners have taken considerable steps towards implementing the global development effectiveness agenda locally. On the government side, related initiatives are spearheaded primarily by a mainly donor-funded Aid Effectiveness Unit established within the Economic Relations Division of the Ministry of Finance. In addition, the government and development partners have undertaken various initiatives to reform their relationships and establish a mutual accountability mechanism. These have culminated in the formulation of a joint

cooperation strategy and Local Consultative Group mechanism to create common platforms for national and sector-level dialogue and coordination.

The Local Consultative Group mechanism provides a formal means for collective dialogue and is an effective coordination tool, especially for sector-level development cooperation activities. It is the leading platform for dialogue between Bangladesh and development partners on development issues. It aims to ensure coordination and effective implementation of national policies, strategies and plans. The Local Consultative Group has around 18 working groups covering key development sectors and themes.

Evaluation and learning

We will undertake evaluations of key investments, thematic areas and priority sectors to promote continuous improvement and ensure that all program investments remain fit for purpose and achieve desired outcomes and results. This includes mid-term and project completion reviews of key investments. We will also consider undertaking broader thematic reviews and assessments.

The evaluations and reviews to be conducted over the life of the DPP are outlined in Table 2. We will leverage these findings to influence the management and design of ongoing, new and future investments. Our approach to evaluation and learning will also draw on bilateral and stakeholder consultations and the priorities outlined in Australia's International Development Policy.

Table 2: Consultation, evaluation and learning plan

Objective	2025–26	2026–27	2027-28
Objective 1 Strengthening the skills and policy and regulatory environment for growth	Mid-term review of the Social Security Policy Support (SSPS) program – Phase 2	No formal reviews planned	Program completion review of Skills for Economic Growth and Prosperity – Phase 2
Objective 2 Improved economic and social outcomes, and climate change mitigation, adaptation and resilience	No formal reviews planned	No formal reviews planned	No formal reviews planned
Objective 3 Effective humanitarian responses for peace, security and stability	No formal reviews planned	No formal reviews planned	No formal reviews planned
Cross-program	Mid-term review of Strategic Partnership Arrangement (SPA) — Phase 3 with BRAC and the governments of Bangladesh and Canada Mid-term review of gender equality, disability and social inclusion analysis briefs (drafted alongside the DPP)	Program completion review of SPA – Phase 3 with BRAC and the governments of Bangladesh and Canada	Mid-cycle review of the DPP

Performance and results

The Performance Assessment Framework (PAF) at Table 3 provides a selection of indicators and expected results for the first three years of the DPP. The PAF will be updated periodically, including at the mid-cycle review point, at which time indicators and results for the second half of the DPP will be identified.

Table 3: Performance Assessment Framework

Objective 1: Strengthening the skills and policy and regulatory environment for growth

Outcome	Indicator	Expected results 2025–26	Expected results 2026–27	Expected results 2027–28	Sustainable Development Goals (SDGs)
Outcome 1.1 Policy reform (governance): Strengthened policies related to governance	1.1.1 Improved risk management practices and capabilities of financial institutions in Bangladesh	Increased uptake and implementation of good risk management practices among partner financial institutions	Improved risk management knowledge and practices among partner financial institutions	Partner financial institutions strengthened to support improved governance	SDG9: Industry, innovation and infrastructure
Outcome 1.1	1.1.2 Partner government systems strengthened and governance improved to provide fast, efficient and effective services to nongovernment organisations (NGOs)	Continued engagement with the NGO Affairs Bureau (NGOAB) on capacity building and institutional strengthening	Digital capacity of the NGOAB strengthened	NGOAB policies and communications strengthened	SDG17: Partnerships for the goals
Outcome 1.2 Economic stability: Improved macro-economic management, public financial management and broader economic reform	1.2.1 National Board of Revenue (NBR) has adopted an implementation plan for the National Tariff Policy	Engagement with the NBR on tax and tariff modernisation	Adoption and implementation of the National Tariff Policy	Increased revenue collection in line with International Monetary Fund (IMF) and NBR targets	SDG9

Outcome	Indicator	Expected results 2025–26	Expected results 2026–27	Expected results 2027–28	Sustainable Development Goals (SDGs)
Outcome 1.2	1.2.2 Technical support provided to the core surveys of the Bangladesh Bureau of Statistics	Engage consultant to prepare the survey tools and sampling methodology	Provide training to Bangladesh Bureau of Statistics officials on poverty measurement, survey design and methodology, report writing and dissemination of results	Identified data reform areas on track, with the Bangladesh Government leading the process	SDG9
Outcome 1.2	1.2.3 Improved banking regulations in Bangladesh through strengthening of the Prompt Corrective Action (PCA) framework for regulating financially weak and mismanaged banks	Engagement with Bangladesh Bank on the PCA implementation roadmap	Workshops and training for Bangladesh Bank staff on preparation of PCA, enforcement and monitoring of implementation	Revised Bangladesh Bank guide on dealing with financially weak and mismanaged banks	SDG9
Outcome 1.3 Strengthened leadership: Positive people-to-people relationships, networks and linkages within Bangladesh and with Australia established	1.3.1 Number of people who have acquired skills and jobs	BRAC: 20,000 UCEP: 3,500	BRAC: 20,000 UCEP: 1,500	BRAC: 20,000 UCEP: 3,500	SDG8: Decent work and economic growth
Outcome 1.3	1.3.2 Design and implement new skills development program	Design work started for new skills development investment	Implementation of new skills development program	Implementation of new skills development program	SDG8

Outcome	Indicator	Expected results 2025–26	Expected results 2026–27	Expected results 2027–28	Sustainable Development Goals (SDGs)
Outcome 1.3	1.3.3 Number of people who have completed capacity development training through the Australia Awards program	120 people	120 people	120 people	SDG17

Objective 2: Improved economic and social outcomes, and climate change mitigation, adaptation and resilience

Outcome	Indicator	Expected results 2025–26	Expected results 2026–27	Expected results 2027–28	Sustainable Development Goals (SDGs)
Outcome 2.1 Economic empowerment and private sector growth: Shared and equitable benefits of economic growth	2.1.1 Percentage of targeted ultra-poor population who graduate out of extreme poverty and achieve sustainable income growth	90%	To be determined (TBD)	TBD	SDG1: No poverty
Outcome 2.2 Social protection: A better-targeted and shock-responsive social security protection scheme	2.2.1 Established systems for universal pensions (for people with disability and older people) and social insurance schemes	Policy proposals drafted for Bangladesh's endorsement	Engagement with line ministries on key reforms	Line ministries trained in key reform and policy proposal areas	SDG1
Outcome 2.2	2.2.2 Strengthened social protection systems	Policy proposal on shock- responsive social protection developed	Engagement with other development partners on policy proposal for shock-responsive social protection	Policy proposal for shock- responsive social protection shared with the Bangladesh Government for endorsement	SDG1

Outcome	Indicator	Expected results 2025–26	Expected results 2026–27	Expected results 2027–28	Sustainable Development Goals (SDGs)
Outcome 2.3 Climate change mitigation, adaptation and resilience: Institutions, communities and individuals are better positioned to respond and adapt to climate and disaster risks and economic and social shocks	2.3.1 Number of climate vulnerable households that received appropriate adaptive solutions to tackle the impacts of climate change	101,375 households	TBD	TBD	SDG1 SDG13: Climate action
Outcome 2.3	2.3.2 Short-term actions to strengthen Bangladesh's climate finance architecture	Bangladesh Bank working with the IMF and International Finance Corporation (IFC) on sustainable finance reporting templates and requirements for banks and Bangladesh Bank—regulated financial institutions	Identify and prioritise future climate finance opportunities and mechanisms	Bangladesh climate finance architecture reinforced	SDG13
Outcome 2.3	2.3.3 Number of Australia Awards scholarships focused on climate studies	15 scholarships	15 scholarships	15 scholarships	SDG13 SDG17: Partnerships for the goals
Outcome 2.3	2.3.4 Number of people for whom Australia's investments have improved adaptation to climate change and resilience to disasters (Tier 2)	Evidence that disaster risk resilience initiatives supported by Australia are leading to improved climate change adaptation practices	Evidence that disaster risk resilience initiatives supported by Australia are leading to improved climate change adaptation practices	Evidence that disaster risk resilience initiatives supported by Australia are leading to improved climate change adaptation practices	SDG13

Outcome	Indicator	Expected results 2025–26	Expected results 2026–27	Expected results 2027–28	Sustainable Development Goals (SDGs)
Outcome 2.4 Gender equality, disability and social inclusion: Enhanced participation of women and people with disability in economic activities	2.4.1 Number of women supported in economic empowerment	5,916,343 women	TBD	TBD	SDG1 SDG5: Gender equality SDG10: Reduced inequalities
Outcome 2.4	2.4.2 Number of women, people with disability and Indigenous people who have received scholarships for capacity development	Women: 60 People with disability and Indigenous people: 10	Women: 60 People with disability and Indigenous people: 10	Women: 60 People with disability and Indigenous people: 10	SDG5 SDG17
Outcome 2.4	2.4.3 Rate of female participation in technical education, training and employment	40%	40%	40%	SDG8: Decent work and economic growth SDG10

Objective 3: Effective humanitarian responses for peace, security and stability

Outcome	Indicator	Expected results 2025–26	Expected results 2026–27	Expected results 2027–28	Sustainable Development Goals (SDGs)
Outcome 3.1 Emergency assistance: Humanitarian assistance delivered to support national and regional emergency efforts	3.1.1 Number of people receiving support	Humanitarian package continues to reach at least 1 million people	Humanitarian package continues to reach at least 1 million people	Humanitarian package continues to reach at least 1 million people	SDG1: No poverty SDG10: Reduced inequalities
Outcome 3.1	3.1.2 Participation in self- reliance and resilience activities	Partners are working to enable individuals to better prepare for, respond to and recover from future shocks	Partners are working to enable individuals to better prepare for, respond to and recover from future shocks	Partners are working to enable individuals to better prepare for, respond to and recover from future shocks	SDG1
Outcome 3.2 Maritime domain awareness: Enhanced border security capacity and operations	3.2.1 Regional and bilateral courses and workshops on maritime domain awareness attended by Bangladeshi officials	Number of Bangladeshi officials participating in bilateral and regional workshops on maritime domain awareness	Number of Bangladeshi officials participating in bilateral and regional workshops on maritime domain awareness	Number of Bangladeshi officials participating in bilateral and regional workshops on maritime domain awareness	SDG14: Life below water SDG16: Peace, justice and strong institutions
Outcome 3.3 Strengthened regional architecture: Supporting regional economic growth through increased infrastructure investments and private sector cooperation	3.3.1 Technical support delivered by the South Asia Regional Infrastructure Connectivity (SARIC) program (2020–2025) in partnership with the World Bank and IFC	Technical support provided on air connectivity, logistics and supply chains	Technical support provided on air connectivity, logistics and supply chains	Technical support provided on air connectivity, logistics and supply chains	SDG9: Industry, innovation and infrastructure

Cross-program

Theme	Indicator	Expected results 2025–26	Expected results 2026–27	Expected results 2027–28	Sustainable Development Goals (SDGs)
Gender equality	Gender effectiveness aggregate investment monitoring reporting ratings (Tier 3)	77%	80%	80%	SDG5: Gender equality
Disability equity	Disability inclusion effectiveness aggregate investment monitoring reporting ratings (Tier 3)	80%	80%	80%	SDG10: Reduced inequalities
Localisation	Percentage of development funding channelled through local partners	50%	50%	50%	SDG1: No poverty SDG10 SDG17: Partnerships for the goals

Note: Expected results for 2026–27 and 2027–28 that involve contributions from BRAC will be updated following the conclusion of any agreement that follows the current phase.

Annex 1: Supporting investments/activities in Bangladesh

Australian Government supporting investments/activities for Objective 1 (bilateral Official Development Assistance (ODA) as well as significant regional and global ODA, and significant non-ODA development investments/activities)

Name of investment/activity	Duration	Key partners
Strategic Partnership Arrangement (SPA) – Phase 3	2020–2026	BRAC
Social Security Policy Support (SSPS) Programme	2020–2026	United Nations Development Programme (UNDP)
Skills for Economic Growth and Prosperity – Phase 2	2022–2026	UCEP Bangladesh
Institutional Strengthening for Promoting Accountability and Transparency (ISPAT)	2023–2027	UNDP
Bangladesh Economic Engagement Program (BEEP) Fund	2023–2027	International Finance Corporation (IFC); World Bank
Australia Awards program	Ongoing	Bangladesh government; non- government organisations (NGOs); civil society

Australian Government supporting investments/activities for Objective 2 (bilateral ODA as well as significant regional and global ODA, and significant non-ODA development investments/activities)

Name of investment/activity	Duration	Key partners
Strategic Partnership Arrangement (SPA) – Phase 3	2020–2026	BRAC
Social Security Policy Support (SSPS) Programme	2020–2026	UNDP
Skills for Economic Growth and Prosperity – Phase 2	2022–2026	UCEP Bangladesh
Institutional Strengthening for Promoting Accountability and Transparency (ISPAT)	2023–2027	UNDP
Bangladesh Economic Engagement Program (BEEP) Fund	2023–2027	IFC; World Bank
Bangladesh Rohingya and host communities humanitarian package	2023–2025 2026–2028	Selected partners identified in the 2025–26 Joint Response Plan: Rohingya Humanitarian Crisis
Australia Awards program	Ongoing	Bangladesh government; NGOs; civil society

Australian Government supporting investments/activities for Objective 3(bilateral ODA as well as significant regional and global ODA, and significant non-ODA development investments/activities)

Name of investment/activity	Duration	Key partners
Bangladesh Rohingya and host communities humanitarian package	2023–2025 2026–2028	Selected partners identified in the 2025–26 Joint Response Plan: Rohingya Humanitarian Crisis
South Asia Regional Infrastructure Connectivity	2019–2025 (Phase 1) 2026–2030 (Phase 2)	IFC; World Bank
Indian Ocean Rim Association (IORA) secondee support	2022–2025	Australian Government Department of Foreign Affairs and Trade

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Cover photo credits

Top row (from left to right):

- Participants in a training course on mobile phone repair Credit: UCEP Bangladesh
- Slope gardening in the Rohingya camps, Cox's Bazar Credit: Emily Macdonald, DFAT

Middle (right):

• Australia Awards scholars attending a pre-departure briefing event Credit: Australia Awards Bangladesh

Bottom row (from left to right):

- Traditional fishing boats (sampans), Cox's Bazar Credit: Asif Kashem, DFAT
- Community engagement with beneficiaries of a flood response program
 Credit: Shahriar Islam, DFAT